

June 29, 1999

Paul Garrett
Clerk of the Circuit Court
City of Charlottesville

City Council
City of Charlottesville

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the City of Charlottesville for the period July 1, 1997 through June 30, 1998. We conducted our audit in accordance with generally accepted auditing standards.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Monitor and Disburse Liabilities

The Clerk is holding bonds for 44 inactive civil cases that are up to 11 years old, because he does not appropriately monitor and disburse liabilities. Code of Virginia §8.01-335 establishes guidelines for removing inactive civil cases from the court's docket after 1, 2, and 3 years of inactivity. These old cases clutter and overstate the court's docket report, which is one of the tools the Compensation Board uses to allocate court funding. The Clerk should immediately identify inactive civil cases, petition the court to remove them from the docket, and refund any bonds.

In addition, the Clerk does not promptly disburse civil bonds in all ended cases. The Clerk continues to hold bonds for cases that ended up to two years ago. The Clerk should refund the bond to the appropriate individual or if unknown, escheat the bond to the Division of Unclaimed Property.

We discussed these issues with the Clerk during the previous year's audit. The Clerk does not believe that they have any responsibility for monitoring and disbursing these liabilities.

Therefore, the Clerk has not petitioned the court for removal of the inactive cases, issued bond refunds, or escheated unclaimed bonds. The Clerk should work with the Chief Judge to take immediate action to disburse these liabilities. Further, the Clerk should establish a policy for monitoring liabilities on a continuous basis.

We discussed these comments with the Clerk on July 6, 1999 and we acknowledge the cooperation extended to us during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:aom

cc: The Honorable Lloyd C. Sullemberger, Chief Judge
Gary O'Connell, City Manager
Bruce Haynes, Executive Secretary
Compensation Board
Martin Watts, Court Analyst
Supreme Court of Virginia
Paul Delosh, Technical Assistance
Supreme Court of Virginia
Vicki D. Bridgeman, Director
Department of Treasury, Division of Unclaimed Property